

## SETTLEMENT AGREEMENT AND RELEASE

This SETTLEMENT AGREEMENT AND RELEASE ("Agreement") is made and entered into by and between Sigrid Lopez ("Lopez"), on the one hand, and Central Basin Municipal Water District and Robert Apodaca, individually (hereinafter referred to collectively as "the District") on the other hand, pursuant to the following mediator's proposal if accepted by e-mail on or before noon on June 2, 2014.

### RECITALS:

A. Lopez was employed by the District pursuant to a Professional Services/Consultant Agreement ("Agreement") between July, 2012 and January, 2013 when the District did not renew her Agreement.

B. Various claims, disputes, and controversies have arisen relating to Lopez's employment, and separation from employment, as a result of which Lopez filed a lawsuit in Los Angeles Superior Court: Sigrid Lopez v. Central Basin Municipal Water District, et al., LASC Case No. BC528184 alleging causes of action for sexual harassment under the Fair Employment and Housing Act ("FEHA"), California Government Code Section 12940 et seq., and other related causes of action. The foregoing action is described herein as the "Lawsuit."

C. The parties desire amicably to resolve fully and finally all matters between Lopez on the one hand and the District and others released herein on the other hand, including, but not limited to, any matters arising out of or related to Lopez's work and/or employment with the District generally or the cessation thereof.

NOW, THEREFORE, in consideration of the promises and mutual promises contained in this Agreement, it is agreed as follows:

### FIRST: Non-Admission of Liability or Wrongdoing.

This Agreement shall not in any way be construed as an admission by the District, Robert Apodaca or any other person or entity that it has acted wrongfully with respect to Lopez or any other person, or that Lopez has any rights whatsoever against the District or others released herein, and the District specifically disclaims any liability to or wrongful acts against Lopez or any other person, on the part of itself, its employees or its agents.

SECOND: Dismissals with Prejudice

Upon acceptance of the mediator's proposal as expressed in this Settlement Agreement and Release, and the tendering of a settlement check in the amount described herein on or before the close of business June 6, 2014, Lopez, through her respective attorneys of record, shall take all steps necessary to prepare, execute, and deliver to counsel for the District for filing with the pertinent court, a Request for Dismissal with prejudice of the Lawsuit in its entirety as to all parties, including defendants named therein, under California Code of Civil Procedure § 664.6 and expressly reserving the Court's jurisdiction to enforce said Agreement. This Agreement requires confirmation of signature but not the release of the signed document or executed dismissal until receipt by counsel for Lopez of the settlement funds. Enforcement of this Agreement is conditioned on the receipt of the settlement funds by counsel for Lopez, Sottile Baltaxe.

THIRD: Benefits to Lopez.

In consideration for signing this Agreement, the Release, and in compliance with the promises made herein, the District agrees to pay Lopez in settlement of claims the total sum of Six Hundred Seventy Thousand Dollars and no cents (\$670,000.00) (the "Settlement Payment") upon confirmation that this Agreement and Release has been signed and dated by Lopez. The executed Agreement and dismissal with prejudice, under CCP § 664.6, dismissing the Lawsuit and reserving the Court's jurisdiction to enforce said Agreement shall not be released to counsel for the District until receipt of the settlement funds by counsel for Lopez. The Settlement Payment will be transmitted in the form of a check payable to "Sottile Baltaxe Client Trust Account," without offset on or before June 6, 2014. The District shall issue to Lopez and/or Sottile Baltaxe an IRS Form 1099 reflecting the Settlement Payment and Sottile Baltaxe shall provide a W-9 to counsel for the District.

Lopez agrees to indemnify and hold harmless the District against any loss or any other liabilities (as to her portion of the settlement funds) caused by any claims for the payment or recovery of any income taxes or any other taxes filed by any federal, state or local governments or other taxing authority.

FOURTH: Complete Release by Lopez.

As a material inducement to the District to enter into this Agreement, Lopez releases and forever discharges the District, and each and all of the District's directors, officers, current and former employees including but not limited to Robert Apodaca, representatives, attorneys, insurers, and all persons acting by, through, on behalf of any of them (collectively, "District Releasees"), or any of them, from any and all "Claims."

The term "Claims" includes all charges, claims, complaints, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature arising out of the Lawsuit, including any matters arising out of or related to Lopez's work and/or employment with the District generally or the cessation thereof.

FIFTH: Unknown Claims by Lopez.

Lopez expressly waives and relinquishes all rights and benefits afforded by section 1542 of the California Civil Code and any other similar provision of applicable law, and does so understanding and acknowledging the significance of such specific waiver of section 1542. Section 1542 of the California Civil Code states as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

SIXTH: No Filings by Lopez/Covenant Not to Sue.

Lopez represents and agrees that apart from her Government Tort Claim, DFEH charge and the Lawsuit, she has not filed or caused to be filed, on her own behalf, directly or indirectly, any complaints, charges, applications, claims, demands for arbitration or grievances against any of the District Releasees with any local, state or federal agency, court, self-regulatory organization, or any other public, quasi-public or private agency, organization, or entity, and that she will not do so at any time, based on

any act, omission, event, fact or other thing which existed or occurred prior to the date of Lopez signing this Agreement, whether known or unknown at the time of signing. Lopez further agrees that if any such agency, court, organization or other entity assumes jurisdiction of any such complaint, charge, application, claim or grievance against any of the District Releasees, on behalf of or with respect to Lopez, she will request such agency, court, organization or other entity to withdraw from and/or dismiss the matter with prejudice.

SEVENTH: No Reemployment

Lopez agrees that she shall not knowingly apply for employment or reemployment with the District and that the District has no obligation, contractual or otherwise, to rehire or reemploy her, in the future, subject to District Board approval.

EIGHTH: Ownership of Claims by Lopez.

Lopez represents and agrees that she has not assigned or transferred, or purported to assign or transfer, to any person any Claims or any portion thereof, or interest therein.

NINTH: Governing Law.

This Agreement shall in all respects be interpreted, enforced and governed under the laws of the State of California.

TENTH: Confidentiality.

Understanding that the final settlement agreement is subject to disclosure under the Public Records Act, Lopez and the District agree not to disclose any information regarding the existence or substance of this Settlement Agreement and Release, except to their spouses, tax advisors, Board Members and attorneys, unless required or compelled by law. If Lopez or the District is asked by any other person about the Government Tort Claim, DFEH Charges, the Lawsuit, or Lopez's dispute with the District and Robert Apodaca, it shall respond only that "the matter has been resolved." The dismissal and release of Releasees shall survive any breach of this Confidentiality provision.

ELEVENTH: Successors.

This Agreement shall be binding upon Lopez and upon her heirs, administrators, representatives, executors, successors and assigns, and shall inure to the benefit of the District Releasees and to their respective heirs, administrators, representatives, executors, successors and assigns.

TWELFTH: Enforceability.

This Agreement shall be, and is, enforceable pursuant to the procedures specified in California Code of Civil Procedure §664.6 on forty eight (48) hour ex parte notice and its confidentiality provision shall not apply to any enforcement action such that the Agreement may be filed in conjunction with any such enforcement action.

THIRTEENTH: Severability.

Should any of the provisions of this Agreement be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and any illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement.

FOURTEENTH: Each Side to Bear Own Attorneys' Fees and Costs

The parties hereby agree that each side shall bear its own attorneys' fees and costs in connection with the lawsuit and the within Agreement.

FIFTEENTH: Entire Agreement.

This Agreement sets forth the entire agreement between the parties hereto, and fully supersedes any and all prior agreements or understandings between the parties hereto pertaining to the subject matter hereof.

DATED: 6/10/14

By: 

SIGRID LOPEZ

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The term "Claims" includes all charges, claims, complaints, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts, and expenses (including attorneys' fees and costs actually incurred) of any nature arising out of the Lawsuit, including any matters arising out of or related to Lopez's work and/or employment with the District generally or the cessation thereof.

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